

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

M/037/084

Michael O. Leavitt Governor Ted Stewart Executive Director James W. Carter Division Director 1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 801-359-3940 (Fax) 801-538-5319 (TDD)

FACSIMILE COVER SHEET

DATE:	er. 31, 2000	
NUMBER O	OF PAGES INCLUDING THIS COVER SHEET:	
TO:	JON STOWACTER	
	COTTER CORP.	
		(e
FAX NUMB	ER: 970-864-7287 TONY CALLEGOS PHONE 501-538-	
FROM:	TONY GALLEGOS PHONE 501-538-	5267
	Minerals Reclamation and Development Program	
PHONE: FAX:	(801) 538-5291 (801) 359-3940	
SUBJECT:	M/037/084 PAPOOSE MINE	
REMARKS:	- copy of S/24/95 DIVISION ESTIMATE - COPY OF SCRETY UPDATE ESCAPATION	
	- COLY OF SURETY UPDATE ESCAPATION	FACTORS
	- DRAFT ESTIMATE UPDATE	

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TRANSACTION REPORT

OCT-31-2000 TUE 10:55 AM

FOR: OIL, GAS & MINING

801 359 3940

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2M 4S PAGES:

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RECLAMATION ESTIMATE

Cotter Corporation

last revision

08/24/95

Papoose Mine

filename M37-84.WB2

page "ESTIMATE"

M/037/084 (ML45609)

San Juan County

Prepared by Utah State Division of Oil, Gas & Mining

Details of Final Reclamation

- -This project is located on lands admninstered by SITLA
- -The pit highwalls (20 ft vertical height) will be backfilled to a slope of 45 degrees or less
- -Salvaged topsoil will be replaced to a depth of 12 inches in "islands"
- -ASSUME the topsoil will cover 50% of the site at 12 inch depth
- -The seedbed will be harrowed or disked to loosen the soils before seeding
- -The topsoil "islands" will be fertilized, broadcast seeded and then harrowed or raked
- -All structures and debris will be removed from the site at the end of operations
- -Disturbed areas measured off Exhibit B: pit 15 acres, access road 0.5 acres, and
- building/stockpile 3.5 acre,
- -Disturbed areas which do not receive topsoil or fines will not be fertilized & seeded
- -The crushing & stockpile area will be moved within the pit area as the mine expands

-Estimated total disturbed area for the Papoose Mine site = 20.0

Activity Quantity Units \$/unit

Removal of structures & debris 1 sum 500.00

Backfill against pit highwalls (4.800LF) 47.040, CV 0.33

ACTIVITY	Quantity Units	\$/unit	\$
Removal of structures & debris	1 sum	500.00	500
Backfill against pit highwalls (4,800LF)	47,040 CY	0.33	15,523
Spreading reject fines(2000 CY assumed)	2,000 CY	0.44	880
Regrading/ripping access road	0.5 acre	533	267
Culvert removal	2.0 each	260	520
Spreading topsoil(assume 50% total area vol)	16,133 CY	0.44	7,099
Disking topsoil(assume 50% of total area)	10.0 acre	50	500
Applying fertilizer	10.0 acre	130	1,300
Broadcast seeding	10.0 acre	413	4,130
Raking seed in	10.0 acre	40	400
General site cleanup & trash removal	20.0 acre	100	2,000
Mobilization	2.0 equip	1000	2,000
	Subtotal	×	35,118
10% Contingency			3,512
	Subtotal		\$38,630
Supervision at 8% of subtotal			3,090
	Subtotal		\$41,721
Escalate for 5 years at 2.68%/yr			5,898
	Total	- B	\$47,619

Rounded surety amount in yr 2000-\$ \$47,600

Papoose Mine

Average cost per acre =

\$2,380

MINE OPERATOR NAME

MINE NAME

FILE#

COUNTY NAME

Prepared by Utah Division of Oil, Gas & Mining Last Update DATE

DESCRIPTION:

PLEASE DO A "SAVE AS" NOW, AND SAVE THIS FILE TEMPLATE UNDER AN

- -Previous reclamation surety estimate was \$00,000 in year 200? dollars
- -Reclamation Estimate base amount calculated in 19??-\$
- -This update adjusts the surety amount for escalation only.
- ---- insert as many comment lines as needed here ----
- -Escalation factors through 1999 are actual Means Historical Cost Indices
- -Total disturbed area =

10 ACRES

CALCULATIONS		ESCAL	BOND	
F = P(1 + i)**n	YR	FACTOR	AMOUNT	
	1977	0.0870	\$0	
	1978	0.0710	\$0	
	1979	0.0860	\$0	
	1980	0.0860	\$0	
	1981	0.0991	\$0	
	1982	0.0940	\$0	
	1983	0.0104	\$0	
	1984	0.0092	\$0	
	1985	0.0290	\$0	
	1986	0.0210	\$0	
	1987	0.0195	\$0	
	1988	0.0181	\$0	
	1989	0.0177	\$0	
	1990	0.0077	\$0	
	1991	0.0127	\$0	
	1992	0.0221	\$0	
	1993	0.0261	\$0	
	1994	0.0321	\$0	
	1995	0.0193	\$0	
F = Future Sum	1996	0.0242	\$0	
P = Present Sum	1997	0.0236	\$0	
i = Escalation Factor	1998	0.0502	\$0	
n = number of periods	1999	0.0200	\$0	
	2000	0.0313	\$0	
Three Yr Average = 3.13%	2001	0.0313	\$0	
Used to Project 5 Yrs	2002	0.0313	\$0	
From the Year 2000	2003	0.0313	\$0	
	2004	0.0313	\$0	
	2005	0.0313	\$0	
Updated Surety Amount Rounded (2005-\$)				
** Average cost per acre =				

SURE **3TIMATE UPDATE**

COTTER CORPORATION

PAPOOSE MINE

M370084

SAN JUAN COUNTY, UTAH March 9, 2000

Prepared by Utah Division of Oil, Gas & Mining

DATE:

DESCRIPTION:

- This project is located in lands administered by School and Institutional Trust Lands [SITLA].
- This calculation escalates the 1995 base amount of \$41,721 to year 2005 dollars.
- Original reclamation cost estimate calculated in 1995 was \$47,600 in 2000 dollars.
- Current reclamation surety of \$54,000 is held by SITLA.
- Disturbed area in the original estimate was 20 acres
- The current disturbed area for the mine is not anticipated to change in the near future
- The reclamation plan provides provisions that pit highwalls (20 ft vertical height) be back filled to a slope of 45 degrees or less, salvaged topsoil be replaced to a depth of 12 inches in "islands" (ASSUME topsoil will cover 50% of site at 12" depth), seedbeds be harrowed or disked to loosen soils before seeding, topsoil "islands" be fertilzed. broadcast seeded and then harrowed or raked, all structures and debris be removed at the end of operations.
- This update adjusts the surety amount for escalation only
- Escalation factors through 1998 are actual Means Historical Cost Indices
- Last DOGM site inspection of 6/28/95 found no major deviations from the approved plan.
- This surety update is accurate provided site conditions are consistant with the approved plan.
- Annual report for 1999 described actual site disturbance as 16.5 acres.

-Total disturbed area =

20 ACRES

CALCULATIONS		ESCAL	BOND
F = P(1 + i)**n	YR	FACTOR	AMOUNT
	1995	0.0193	\$41,721
F = Future Sum	1996	0.0242	\$42,731
P = Present Sum	1997	0.0236	\$43,739
i = Escalation Factor	1998	0.0502	\$45,935
n = number of periods	1999	0.0327	\$47,437
	2000	0.0327	\$48,988
Three Yr Average = 3.27%	2001	0.0327	\$50,590
Used to Project 5 Yrs	2002	0.0327	\$52,244
From the Year 1999	2003	0.0327	\$53,953
	2004	0.0327	\$55,717
	2005	0.0327	\$57,539

Updated Surety Amount Rounded (2005-\$)

\$57,500

** Average cost per acre =

\$2,875 (\$/ACRE)

